

# Strategy for Iceland's Development Cooperation 2011-2014

A proposal for a parliamentary resolution on a Strategy for Iceland's Development Co-operation 2011-2014 was submitted to Althingi on February 17, 2011. The Strategy is presented in accordance with Act no. 121/2008 on Iceland's International Development Cooperation. A key objective of the Act is to take a holistic approach to Iceland's development policy. Accordingly, the Strategy covers multilateral and bilateral cooperation, humanitarian assistance and peace-building efforts.

## Principles and Values

The Strategy identifies international development cooperation as one of the key pillars of Iceland's foreign policy. The guiding principles for development cooperation are responsibility, credibility and results. Iceland's development policy is rooted in the fundamental rights of all people as set out in the Charter of the United Nations, emphasising tolerance, justice, solidarity and cultural diversity.

The Strategy builds on the Millennium Development Goals, focusing on the fight against poverty and hunger, as well as highlighting human rights, gender equality, democracy, peace and security.

## ODA Target

As stipulated in Act no. 121/2008 the Strategy outlines the government's target for official development assistance (ODA). Iceland's ODA grew steadily from 2000 and peaked at 0.36% of GNI in 2008. However, due to budgetary constraints, a reduction in ODA could not be avoided. According to the budget appropriation the ODA level is estimated at 0.19% of GNI in 2011. The Strategy lays out a gradual increase over the coming years, with ODA reaching 0.23% of GNI in 2014. This target will be revisited if national income grows faster than predicted. The growth in ODA will be accelerated when the Strategy comes up for a review in 2013, with the aim of reaching the UN target of 0.7% of GNI in 2021.

## Priority Areas

Iceland's ODA will have three priority areas: Natural resources, human capital and peace-building. Within those areas the focus will be on fisheries and renewable energy, education and health, good governance and reconstruction. Furthermore, special emphasis will be given to gender equality and environmental considerations as cross-cutting themes.

**Geographic Priorities**

Bilateral partner countries are Malawi, Mozambique and Uganda, where the Icelandic International Development Agency (ICEIDA) operates. Special attention is also given to peace-building in Afghanistan and support to Palestine refugees by means of contributions and secondments of experts to international organisations.

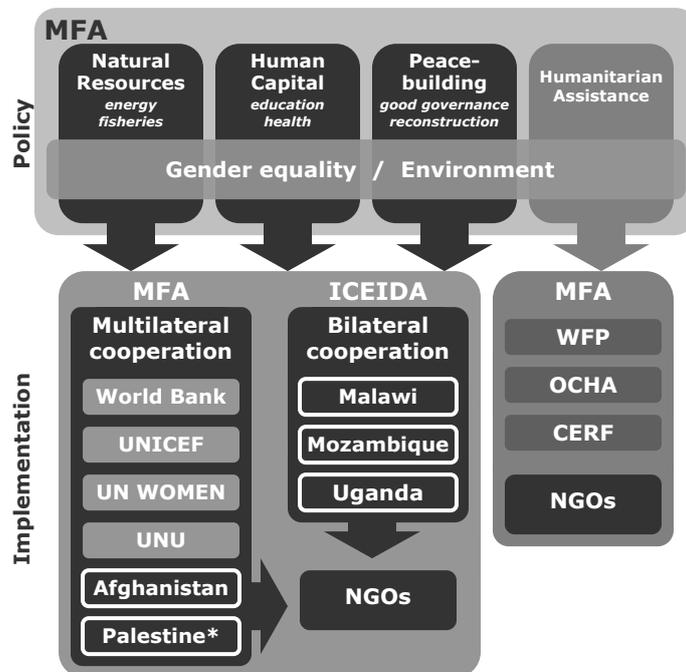
**Institutional Focus**

Four multilateral agencies are identified as key institutions: The World Bank Group, UNICEF, UN Women and the United Nations University. Humanitarian assistance represents an increasingly important element in Iceland’s development policy, focusing on the work of non-governmental organisations, the World Food Programme, the UN Central Emergency Response Fund (CERF) and the

UN Office for the Coordination of Humanitarian Affairs (OCHA).

**Development Effectiveness**

The Strategy emphasises international agreements on results and development effectiveness, such as the Paris Declaration and the Accra Agenda for Action. It envisages Iceland’s full membership in the OECD Development Assistance Committee (DAC) within the next three years. Steps will be taken to formulate a joint human resource policy of the ministry and ICEIDA and joint working groups of experts will be created on gender equality, natural resources and development effectiveness. Enhanced collaboration with academia will be explored and opportunities identified for a stronger role of private sector development in Iceland’s development policy.



\* Occupied Palestinian Territory